



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 6f

**ACTION ITEM**

**Date of Meeting** July 9, 2019

**DATE:** July 1, 2019

**TO:** Stephen P. Metruck, Executive Director

**FROM:** Jeffrey Brown, Director Aviation Facilities and Capital Programs  
Wayne Grotheer, Director, Aviation Project Management Group

**SUBJECT:** Indefinite Delivery Indefinite Quantity (IDIQ) Service Agreement for Passenger Loading Bridges, fixed walkways, associated gate equipment services, and utilities modifications for the Seattle-Tacoma International Airport

**Amount of this request:** \$0  
**Total estimated contract value:** \$5,000,000

**ACTION REQUESTED**

Request Commission authorization for the Executive Director to execute a professional services indefinite delivery, indefinite quantity (IDIQ) contract for Passenger Loading Bridge (PLB) design services in the amount of \$5,000,000 with a 3-year base contract period, with two 1-year options for renewal, in support of upcoming capital improvement projects at Seattle-Tacoma International Airport (STIA).

There is no budget request associated with this authorization; funding to utilize these contracts will be provided separately from individual project authorizations.

**EXECUTIVE SUMMARY**

Over the next several years, the Port of Seattle will be replacing, or providing new PLBs, fixed walkways, associated gate equipment, and modifying existing utilities, as needed. This work is considered vital to the operational integrity of STIA asset management and will fulfill business goals as well as objectives. Procurement of a PLB design services IDIQ contract will allow the Airport to meet the needs of operations and planned projects in a timely manner.

The Aviation division has identified thirteen (13) PLBs that need to be replaced within the next 5 years and will require gate closures during the replacement. Throughout the same period, construction of other capital projects will require additional gate closures. The PLB IDIQ contract will provide the Airport with the flexibility to meet and adjust to operational requirements as they arise, by issuing individual service directives to accomplish tasks within a pre-defined scope of work, either, on an as-needed basis, or for a fixed-period of time and a

Meeting Date: July 9, 2019

maximum contract amount. This contract will have a 3-year base contract period, with two 1-year options for renewal, at which time the Airport may issue further Service Directives.

Competitively procured IDIQ contracts, are widely used public-sector contracting tools, consistent with the Port's General Delegation of Authority, and governed by the Central Procurement Office policy (CPO-1 policy).

### **JUSTIFICATION**

The Airport estimates thirteen (13) additional PLBs, fixed walkways, and associated gate equipment that may need design services for complete replacement, by the end of 2023. These PLBs are divided amongst several existing and future Capital Improvement Projects (CIPs) sponsored by Aviation Operations, Facilities and Infrastructure, and Maintenance. The CIPs are detailed below:

- The PLB Phase 2 project (CIP C800793) is budgeted for \$10,000,000, which has 3 PLBs remaining that have design service requirements.
- Facilities and Infrastructure is considering an additional 4 new PLB's and associated gate equipment to a new CIP.
- The SafeDock Upgrade and Expansion project (CIP C800779) is budgeted for \$27,972,250, which is installing SafeDock throughout STIA. SafeDock is an infrastructure improvement to PLB operation and ramp safety. Following installation of this system, all PLBs renewed will require SafeDock, which in turn requires additional design be performed.

In general, the scheduling of a PLB replacement project is relatively unpredictable and highly dependent upon operational and capacity concerns. Utilization of this type of IDIQ contract has proven to be an efficient, cost effective, and flexible method of responding to uncertain design requirements over a multiple year span. Once the Service Agreement is executed, individual Service Directives will be negotiated and executed before any design work is performed.

### ***Diversity in Contracting***

Project staff, in coordination with the Diversity in Contracting department, have set a 15% woman and minority business enterprise (WMBE) aspirational goal for this IDIQ contract.

### **DETAILS**

This request is to execute one (1) IDIQ valued at \$5,000,000, which will be awarded to the highest ranked firm.

This contract will have a 3-year base contract period, with two 1-year options for renewal. The actual contract duration may extend beyond five years to complete the work identified in a specific Service Directive. The Port will not issue any Service Directives in excess of this contract's value, or after expiration of the contract ordering period.

**ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1** – Procure separate design Service Agreements for each project.

Cost Implications: Each project would expend additional administrative costs to procure individual PLB design services.

Pros:

- (1) Separate contracts would allow consulting firms multiple opportunities to compete for each individual project.
- (2) Defers the administrative cost of procurement to a later date when individual projects prepare their own procurement.

Cons:

- (1) This is an inefficient use of Port resources, staff time, and does not leverage the Port's contracting methods.
- (2) This alternative will increase overhead, and administrative costs to the Port, as we would need to manage more procurement processes and contracts.
- (3) This alternative will add time to each project schedule to complete the procurement process for individual projects and would impact the ability to meet project, and customer needs.
- (4) Costs to the consulting companies may increase as they would be responding to multiple procurements.
- (5) Integrations among related projects would be more difficult to achieve.

This is not the recommended alternative.

**Alternative 2** – Hire Six full time employees (Engineers, Information Communication and Technology, Building Architect) to meet project design workload forecasts.

Cost Implications: A potential savings of \$1,900,000 could be realized over a five (5) year period, compared with hiring consultants.

Pros:

- (1) Lower Hourly cost than the use of consultant engineers.
- (2) Institutional knowledge is built by Port Staff.

Cons:

- (1) Consultant engineers with specialized skills might still need to be hired when Port staff skills do not meet the needs of a particular project.
- (2) Time to build up adequate staff will be necessary as specific skill sets would take approximately 18 to 24 months. This would substantially delay our current backlog of projects.
- (3) The type of work needed is highly specialized and is not guaranteed. Adding full time in-house staff would create long term costs that could potentially be unnecessary during times when that work is not needed.

Meeting Date: July 9, 2019

- (4) The design of PLBs is highly specialized and currently in high demand. Staff with these skill sets may be difficult to attract, hire, and retain.
- (5) Lack of office space.
- (6) Hiring FTE's only for less than FT work is not cost effective.

This is not the recommended alternative.

**Alternative 3** – Prepare a single IDIQ procurement to contract with a PLB design services consultant for PLB projects as they arise.

Cost Implications: No capital costs will be incurred with this procurement. Funding to utilize this/these contract/s will be separately authorized by the individual projects requiring PLB design services.

Pros:

- (1) This alternative provides a high degree of integrity in design for construction and minimizes the number of procurement processes necessary for timely completion of projects.
- (2) This alternative reduces the schedule for each project requiring these services because the solicitation, evaluation, and selection for design services has already been completed. Typically, this process consumes approximately 3 to 4 months.
- (3) This alternative allows the Port to utilize the consultant at an earlier stage of project development.
- (4) This alternative leverages the Port's contracting methods.
- (5) This alternative provides for the "consistency" of parallel projects that may utilize the same consultant.

Cons:

- (1) This alternative would limit the number of opportunities for available firms to compete for work.

***This is the recommended alternative.***

**FINANCIAL IMPLICATIONS**

There is no funding request directly associated with this authorization. No work is guaranteed to the selected consultants and the Port is not obligated to pay a selected consultant until a service directive is executed. The budget for work performed under each agreement will come from individual service directives authorizing the consultant to perform specific work on the contract against approved project authorizations and within the total contract amount.

**ATTACHMENTS TO THIS REQUEST**

None

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

None